GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2070
ANSWERED ON:30.11.2007
WIDENING OF TAX NET
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Will the Minister of FINANCE be pleased to state:

(a) the number of persons increased under cover of. income tax during the last five years; and

(b) further steps taken/being taken for wider-tax inclusion particularly for business people in the country?

Answer

(SHRI S.S. PALANIMANICKAM)MINISTER OF STATE IN THE MINISTRY OF FINANCE

(a) The number of income tax assessees are continuously increasing for the last five years and the statistics are as under:-

Financial Year	Total Number of assessees (Figures in lakhs)
2002-03	300.19
2003-04	301.78
2004-05	308.08
2005-06	315.37
2006-07	319.26

(b) It is the constant endeavour of the government to widen the tax base. Following steps have been taken for widening of the tax base:-

(i) Comprehensive computerisation of Income Tax Department is underway. It is expected to yield a sharp increase in tax base,

(ii) From Assessment Year 2006-07,all partnership Firms are compulsorily required to file return of income,

(iii) From Assessment Year 2006-07, the basis of filing of return has been shifted from `total income` to `gross total income`,

(iv) Withdrawal of exemption u/s 10(23EA) of the Income Tax Act.

(v) Partial withdrawal of exemption u/s 10(23G) of income from investment in infrastructure and other projects.

(vi) Withdrawal of tax benefits available to certain co-operative banks,

(vii) Utilisation of Annual Information Return (AIR) data is expected to increase the tax base.